

EXHIBIT C

Coverick Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,¹

Debtors.

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

**DECLARATION OF STEVEN P. COVERICK IN SUPPORT OF MOTION OF
DEBTORS FOR ENTRY OF AN ORDER AUTHORIZING AND APPROVING
(I) ENTRY INTO, AND PERFORMANCE UNDER, THE SHARE AND ASSET
PURCHASE AGREEMENT, (II) THE SALE OF THE SHARES OF THE
TRANSFERRED SUBSIDIARIES, SHARES OF THE MINORITY ENTITIES AND
TRANSFERRED ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, INTERESTS
AND ENCUMBRANCES, AND (III) DISMISSING THE CHAPTER 11 CASES OF THE
FTX EUROPE SUBSIDIARIES**

I, Steven P. Coverick, hereby declare under penalty of perjury:

1. I am a Managing Director at Alvarez & Marsal North America, LLC (“A&M”), a restructuring advisory services firm specializing in interim management, crisis management, turnaround consulting, operational due diligence, creditor advisory services and financial and operation restructuring.

2. I have more than 10 years of restructuring and distressed investment experience across various industries, including energy, technology, media, telecommunications, logistics and healthcare. I have a Bachelor’s Degree from the Kelley School of Business at Indiana University, am a CFA® charterholder, and am recognized as a Certified Turnaround Professional by the Turnaround Management Association.

¹ The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification number are 3288 and 4063, respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>. The principal place of business of Debtor Emergent Fidelity Technologies Ltd is Unit 3B, Bryson’s Commercial Complex, Friars Hill Road, St. John’s, Antigua and Barbuda.

3. Since joining A&M, I have been involved in numerous Chapter 11 restructurings, including Seadrill Limited, iHeart Media Inc., White Star Petroleum Holdings, LLC, Templar Energy LLC and Expro International Group Holdings Limited.

4. I submit this declaration (the “Declaration”) in support of the *Motion of Debtors For Entry of an Order Authorizing and Approving (I) Entry Into, and Performance Under, the Share and Asset Purchase Agreement, (II) the Sale of the Shares of the Transferred Subsidiaries, Shares of the Minority Entities and Transferred Assets Free and Clear of All Liens, Claims, Interests and Encumbrances, and (III) Dismissing the Chapter 11 Cases of the FTX Europe Subsidiaries* (the “Motion”)² concurrently filed with the Declaration of Dominique Müller and the Declaration of Stylianos A. Triantafyllides (the “Triantafyllides Declaration”).

5. I am not being compensated separately for this testimony other than through payments received by A&M as financial advisor retained by FTX Trading Ltd. and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”). Except as otherwise indicated herein, all of the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, information provided to me by A&M professionals involved in advising the Debtors in the above-captioned case (the “Chapter 11 Case”) or information provided to me by the Debtors. If called upon to testify, I could and would testify to the facts set forth herein on that basis. I am authorized to submit this Declaration on behalf of the Debtors.

Acquisition of FTX Europe

6. Prior to the Petition Date, pursuant to a series of transactions on October 25, 2020, July 2, 2021 and November 14, 2021, the FTX group acquired FTX Europe (f/k/a

² Capitalized terms not otherwise defined herein are to be given the meanings ascribed to them in the Motion.

Digital Assets DA AG) and its subsidiaries, including certain of the Transferred Subsidiaries, from the Purchasers for an aggregate purchase price of approximately \$376 million.

CySEC Suspension and Customer Shortfall

7. Following the acquisition by the FTX group, FTX Europe and the Transferred Subsidiaries operated a business (the “Business”), primarily through FTX Cyprus, pursuant to which customers in Europe were able to engage in certain digital asset transactions through the FTX.com platform operated by the Debtors. The Business historically operated as part of the wider FTX group. FTX Cyprus had approximately 116,000 customers, approximately 41,000 of which had net positive balances as of the Petition Date. As described in the Triantafyllides Declaration, I understand that, in order to comply with a suspension order of the Cyprus Securities and Exchange Commission, FTX Cyprus is required to comply with Cyprus law, which requires the safekeeping of fiat currency balances belonging to its customers (the “Customer Cash”) and the return of such Customer Cash to its customers.

8. Based on currently available information, the Debtors calculate that the shortfall in customer funds (the “Shortfall”) is approximately €7.1 million. As described in the Triantafyllides Declaration, I understand that CySEC approval is required to replace the management of FTX Cyprus. As a result, the prepetition management remains in place.

Released Intercompany Claims

9. In connection with the Sale Transaction, and subject to the closing conditions set forth in the Share and Asset Purchase Agreement, the Debtors and the Purchaser Parties have agreed to enter into a release agreement substantially in the form attached as Exhibit B to the Share and Asset Purchase Agreement (the “Release Agreement”) at the Closing. Under the Release Agreement, the Debtors, on the one hand, and the Transferred Subsidiaries, on the

other hand, would grant mutual releases of certain claims. The claims that would be released by the Debtors include claims in respect of operating costs and expenses incurred by parent companies on behalf of their subsidiaries, or loans made by parent companies to their subsidiaries to cover operating costs and expenses, including:³ (i) \$1,168,801 owed by FTX Cyprus to FTX Trading in respect of post-petition operating expenses and fees paid on behalf of FTX Cyprus; (ii) \$893,874 owed by FTX Cyprus to Seller in respect of certain prepetition intercompany loans and operating expenses paid by Seller on behalf of FTX Cyprus; (iii) \$495,458 owed by FTX Switzerland to Seller in respect of certain pre and post-petition intercompany loans and operating expenses paid by Seller on behalf of FTX Switzerland; (iv) \$154,440 owed by FTX Trading GmbH to debtor West Realm Shires, Inc. (“WRS”) in respect of certain post-petition payroll, operating expenses- and fees paid by WRS on behalf of FTX Trading GmbH; (v) \$374,975 owed by FTX Trading GmbH to FTX Trading in respect of certain post-petition intercompany loans for payroll and operating expenses; (vi) \$102,310 owed by FTX Switzerland to FTX Trading in respect of post-petition intercompany loans to fund operating expenses; (vii) \$94,451 owed by FTX Cyprus to West Realm Shires, Inc. in respect of post-petition payroll, rent and fees paid on behalf of FTX Cyprus (viii) \$53,049 owed by FTX Certificates GmbH to Seller in respect of certain pre and post-petition intercompany loans and operating expenses paid by Seller on behalf of FTX Certificates GmbH; (ix) \$1,123 owed by FTX Structured Products AG to WRS in respect of U.S. Trustee fees; (x) \$1,000 owed by FTX

³ Based on unaudited management accounts as of November 30, 2023. Final release amounts may be different due to additional transactions between November 30, 2023 and Closing. In cases where balances do not reconcile between the Debtors’ accounts and the Transferred Subsidiaries’ accounts, Debtors’ balances are presented.

Switzerland to WRS in respect of U.S. Trustee fees; and (xi) \$1,000 owed by FTX Certificates GmbH to WRS in respect of U.S. Trustee fees.

FTX Crypto Services

10. FTX Crypto Services is a wholly-owned subsidiary of FTX Europe and is incorporated in Cyprus. Based on the Debtors' currently available books and records, FTX Crypto Services appears to be solvent, does not have any ongoing operations and is not expected to commence revenue generating activities in the future. Notwithstanding FTX Crypto Services' balance sheet position, it is possible that FTX Crypto Services may require de minimis equity, either through cash or intercompany release, in order to effectuate its liquidation.

Dated: February 28, 2024

/s/ Steven P. Coverick

Steven P. Coverick
Alvarez & Marsal North America, LLC
Managing Director